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Section 8

Southeast Colorado River Basin

Utah State Water Plan

Water Funding Programs

8.1 INTRODUCTION

This section of the Southeast Colorado River Basin Plan presents information and data relating to the most commonly used funding programs to finance the planning, construction, and in some cases, the operation of typical water resources projects. These programs are administered by a broad range of local, state and federal agencies both directly and indirectly involved in the ongoing development of water resources. Some of the planning and development programs and specific agency activities and responsibilities are discussed in various sections of this plan. These include preparation of this document by the Division of Water Resources and other cooperating state and federal agencies with water-related missions.

Most of the planning programs are carried out by on-going agency funding although some cases require a local match. Funding for development programs usually requires cost-sharing arrangements. Agencies may provide loans or grants with a variable contribution at the local level. In many cases, funding arrangements are a mix of federal, state and local sources of grants and loans.

8.2 BACKGROUND

As soon as settlements were established, the people started to construct water delivery systems. This took local cooperative efforts with little funding and lots of hard work; now it takes more funding. Water projects are developed through a common effort by all those involved.

Many of the earliest projects were to divert water for irrigation of cropland in order to sustain their existence.

Almost simultaneously, water for culinary purposes was delivered to the settlements. Generally, the earliest diversions were

constructed of readily available materials that could be easily placed. Later, many of these structures had to be replaced because they were destroyed by floods or made unusable by sediment deposits.

It soon became apparent there was a need for runoff storage so it would be available for use later in the year when streamflows were low or nonexistent. This led to the construction of storage reservoirs on many of the streams along with conveyance systems to deliver the water to the place of use.

The complexity and size of recent water projects and related service facilities has required large sums of money to meet the growing demand for water. However, the ability to construct needed system enlargements or improvements is usually beyond the means of the smaller water providers without assistance. Large providers, such as water conservancy districts and cities, usually have more funding at their disposal. In addition, state and federal agencies provide a number of funding programs

Water development has emerged from man's struggles with nature to increasingly sophisticated means for funding and construction.

that offer grants or low interest loans to assist local water users to improve existing or build new water facilities. These programs include loan and grant funds. Though these agency programs are generally targeted for different purposes, there are cases where more than one program can assist with a particular project.



Monticello water treatment plant

8.3 STATE FUNDING AND ASSISTANCE PROGRAMS

It would be difficult to determine the total funds spent historically for planning and construction of water projects in the Southeast Colorado River Basin. In the early years, nearly all of the funding came from local pocketbooks. As time passed, more state and federal programs became available to provide funds through either loans or grants. Loans had to be repaid by the local water users so they have still paid for most of the development.

Table 8-1 lists eight state agencies administering 15 programs providing various levels of funding to plan and construct water resources projects. Table 8-2 shows the state funding expenditures for recent years. Since the turn of the century, some state funds have been available to construct water development projects. However, these were relatively minor amounts until 1947 when the state legislature created the Utah Water and Power Board. Since then, state funding programs have been established under various boards, commissions and committees. Some of the programs receive funding passed through federal agencies.

8.4 FEDERAL WATER FUNDING PROGRAMS

There are eight federal agencies with 18 water resources funding programs. Most of these have funds available for construction of facilities. There are also some federal agencies with funding for planning. Funds available from the Environmental Protection Agency are generally distributed through state agencies or Indian Tribes. Funds from one federal agency cannot be used to match funds from another federal agency.

Table 8-3 summarizes the types of funding programs administered by the federal agencies. Table 8-4 presents federal funding expenditures for water-related-projects.

8.5 NAVAJO NATION WATER FUNDING PROGRAMS

The Navajo Nation has funding programs of its own and can also receive funding from several federal agencies. The Navajo Indian Health Service, Office of Environmental Health and Engineering is responsible for water projects to improve existing drinking water systems and to install new facilities.

The Navajo Nation can also obtain funding from the Bureau of Indian Affairs and the federal Environmental Protection Agency. Culinary water project funding is available under PL 86-121 although the annual appropriations have been low.⁸⁵

8.6 LOCAL WATER FUNDING

Most of the funding for water resources projects comes from the pockets of the taxpayers. This is true whether the loan comes from a local, state or federal agency. When loans are obtained to finance project construction, these are paid by assessment of the water users or by the individual. When a large amount of funding is required upfront, water users often go to local funding sources for loans. □

Table 8-1 STATE WATER-RELATED FUNDING PROGRAMS			
Funding Agency/Program	Contact	Purpose	Type
Board of Parks and Recreation	Div of Parks and Recreation		
Land and Water Conservation Fund		Recreation facilities	Cost-share
Riverway Enhancement Program		Recreation facilities	Cost-share
Board of Water Resources	Div of Water Resources		
Revolving Construction Fund		Small irr/cul projects	Loans
Cities Water Loan Fund		Municipal cul systems	Loans
Conservation & Development Fund		Large water projects	Loans
Dam Safety		Dam safety requirements	Grants/loans
Community Development Policy Board	Div of Community Development		
Block Grants		Rural living envir imp	Grants
Permanent Community Impact Board	Div of Community Development		
Permanent Community Impact Fund		Rural living envir imp	Grants/loans
Disaster Relief Board Fund		Disaster mitigation	Grants
Drinking Water Board	Div of Drinking Water		
State Revolving Fund Program		Drinking water systems	Loans
Soil Conservation Commission	Dept of Agriculture		
Agriculture Resource Development Loan		Improve private ag land	Loans
Nonpoint Source Program		Watershed improvement	Grants
Utah Wildlife Board	Div of Wildlife Resources		
Wallup-Breaux Bill		Fish habitat-boating	Grants
Water Quality Board	Div of Water Quality		
Revolving Construction Loan Program		Wastewater treatment facilities	Loans
Federal Construction Grants		Wastewater treatment facilities	Grants

Table 8-2 STATE WATER-RELATED FUNDING EXPENDITURES			
Funding Agency	Grants (\$1,000)	Loans (\$1,000)	Period
Board of Parks & Recreation			
Land and Water Conservation	392.3		66-98
Riverway Enhancement program	171.0		
Motorized Trail Grants	57.4		
Nonmotorized Trail Grants	129.6		
Board of Water Resources			
Cities Water Loan Fund		1,567.0	47-99
Conservation and Development Fund		15,012.0	47-99
Revolving Construction Fund		1,860.5	47-99
Dam Safety Studies		-0-	
Wildlife Board			
Wallup/Breaux Bill			
Community Development			
Community Development Block Grants ^a	949.6 ^a		92-96
Permanent Community Impact Board			
Permanent Community Impact Fund	6,330.6	7,322.4	92-96
Safe Drinking Water Board			
Financial Assistance Program	1,263.4 ^b		90-96
Soil Conservation Commission			
Agriculture Resource Development Loans		378.4	95-98
Water Quality Board			
State Loan Program		2,656.0	Thru 97
Federal Construction Grants	400.0		Thru 97
Total	9,510.6	28,796.3	
^a Includes \$83,900 for regional planning.			
^b Includes \$99,400 for regional planning.			

Table 8-3
FEDERAL FUNDING PROGRAMS

Agency	Program	Purpose	Type
Department of Agriculture			
Farm Service Agency	Conservation Reserve	Reduce erosion & maintain wetlands	Grants
	Flood Risk Program	Remove lands from flooding potential	Grants
Rural Development	Rural Development	Water supply/wastewater disposal	Grants & loans
	Resource Conservation & Development	Multi-purpose water & land conservation	Grants & loans
Natural Resources Conservation Service	Watershed Protection & Flood Prevention	Flood control & water development	Grants & cost-share
	Resource Conservation & Development	Multi-purpose water & related projects	Grants & cost-share
	Emergency Watershed Program	Reduce sedimentation & flooding	Grants & cost-share
	Environmental Quality Incentive Program	Improve water & land quality	Grants & cost-share
	Wetlands Reserve Program	Protect, restore and enhance wetlands	Grants & cost-share
Department of the Army			
Corps of Engineers	Civil Works	Flood control, water supply, recreation	Cost share
	Continuing Authorities	Flood control & protection, ecosystem rehab	Cost share
	Emergency Activities	Flood control & protection, drought relief	Cost-share
Environmental Protection Agency	EPA 314 Clean Lakes Program	Water quality	Grants
Department of the Interior			
Bureau of Indian affairs	PL86-121	Irrigation systems	Grants
		Culinary water systems	Grants
Bureau of Reclamation	Investigation program	Water storage delivery	Loan
	Public Works & Economic Development	Water development	Grants & loans
Federal Emergency Management Agency	Presidential Declared Disaster	Damage mitigation	Grants
	Flood Plain Management	Structural acquisition in flood plains	Grants

Table 8-4
FEDERAL WATER-RELATED FUNDING EXPENDITURES

Funding Agency Program	Grants (\$1,000)	Loans (\$1,000)	Period
Farm Service Agency			
Agricultural Conservation Program	39,553		1990-96
Conservation Reserve Program			
Emergency Conservation Program			
Bureau of Indian Affairs			
Bureau of Reclamation ^a	150,801		1927-69
Corps of Engineers			
Civil Works			
Continuing Authority Program	240		1978-93
Emergency Activities	50		1974-96
Flood Plain Management Services	30		1993-94
Rural Development			
Community Development	12,009	4,693	1992-96
Federal Emergency Management Agency			
Presidential Declared Disaster	13,363		1983-84
Flood Plain Management			
Natural Resources Conservation Service			
Watershed Protection-Flood Prevention	300		1965-95
Emergency Watershed Program	64		1993-95
Environmental Quality Improvement Program	81		1997
Total	216,491	4,693	
^a Construction costs for three basin water reclamation projects from 1927 to 1969. Note: Grant funds include cost-share funding provided by some agencies as shown in Table 8-3.			